REQUEST FOR RECONSIDERATION:

The present application sets forth claims 1-20, of which claims 1, 6, 11 and 16 are independent claims. Claims 1-5 and 11-15 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Claims 6-10 stand rejected under 35 U.S.C. § 101 as being directed to an abstract idea and failing to recite a limitation in the technological arts and therefore being non-statutory. Claims 1, 6, 9, 11, 14, 16, and 19 stand rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 5,924,486 (Ehlers et al.). Claims 2-5, 7-8, 10, 12-13, 15, 17-18, and 20 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Ehlers et al. In view of the several arguments presented below, Applicants respectfully traverse all such alleged grounds of rejection.

Rejection of Claims 1-5 and 11-15 under 35 U.S.C. § 112, second paragraph

With respect to claims 1-5, the Examiner states at numbered page 2 of his Office Action that:
"… these claims are confusing, because they appear to recite the method steps while reffer (sic) to a system"

As presently presented, claims 1-5 are directed toward "A system for providing for future rate changes in a billing system, comprising …" Currently the claims recite "means for" performing various functions to provide the recited billing system. For example, claim 1 recites three means for performing various functions, to wit: means for identifying, means for selecting, and means for implementing. 35 U.S.C. 112, sixth paragraph, specifically provides that:

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An element in a claim for a combination may be expressed as a <u>means</u> or step <u>for performing a specified function without the recital of structure, material, or acts in support thereof</u>, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof. (*emphasis supplied*)

Proper method claims, for example, claims 6-10 of the present application, will normally recite "a method ... comprising the steps of ..." followed by a series of "active, positive steps" as mandated by *Ex parte Erlich*, 3 USPQ2d 1011 (Bd. Pat. App. & Inter. 1986). No such language appears in claims 1-5. Moreover, no attempt is being made in claims 1-5 to claim a method, rather Applicants have presented a series of claims reciting "A system ... comprising" a number of "means for" performing various functions. Applicants believe that, as presented, claims 1-5 strictly follow the prescribed format approved by 35 U.S.C. 112, sixth paragraph and, consequently, specifically request reconsideration of this ground of rejection.

With respect to claims 11-15, the Examiner states at numbered page 2 of his Office Action that:

"... these claims are confusing, because the term "logic" is not descriptive."

Applicants respectfully point out that claim 11-15 parallel claims 1-5 from the perspective that claims 11-15 are directed to a computer readable medium and that the claims directly mirror claims 1-5 from the standpoint of the specific elements recited.

With respect to the term "logic" as used in claims 11-15, the "Modern Dictionary of Electronics," 6th Ed., 1984 defines "logic" as follows:

"Logic: ... (3) In computers and information-processing networks, the systematic method that governs the operations performed on the information, usually with each step influencing the one that follows."

Applicants have explained in their specification that their billing system may be embodied as software running on various computer devices. For example at page 6, starting at line 18 of their specification, Applicants disclosed that:

The software in memory 22 may include one or more separate programs, each of which comprises an ordered listing of executable instructions for implementing logical functions. In the example of Fig. 2, the software in the memory 22 includes the billing system 30 and a suitable operating system (O/S) 25.

The software in the memory is, of course, that software, i.e. executable instructions, which were "read from" the computer readable medium that is the subject of claims 11-15. Thus Applicants have claimed logic for performing various functions in relationship to a computer readable medium which, after being read by a computer capable of reading the computer readable medium provides instructions for "providing for future rate changes in a billing system" as clearly recited by the claims.

Applicants respectfully submit that, in relation to computer systems, the term "logic" is well understood and thus Applicant respectfully request reconsideration of the present ground of rejection.

Rejection of Claims 6-10 under 35 U.S.C. 101

The Examiner is of the opinion that the claimed method "... does not recite a limitation in the technological arts" and, therefore, the claims "... are not permitted under 35 U.S.C. 101 as being related to non-statutory subject matter."

Applicants respectfully disagree with the Examiner's allegation and point out that claims 6-10 are, in many respects, similar to claims 1-5 and 11-15 discussed *supra* in that they are "method" claims and are directed to "A method for providing for future rate changes in a billing system, said method comprising the steps of ..." As previously noted, 35 U.S.C. 112, sixth paragraph, provides a clear basis for such a claim format. Moreover, the statute clearly states that when applicants, as here, avail themselves of

such a permissible claim format, the "… claim **shall be construed** to cover the corresponding structure, material, or acts described in the specification and equivalents thereof." (*emphasis supplied*)

Applicants have disclosed, for example, at page 3 lines 3-4 of their current specification, that "A processor … implements the future rate change." Moreover, Applicants have stated at page 6, lines 1 - 10 that:

> The processor 21 is a hardware device for executing software that can be stored in memory 22. The processor 21 can be virtually any custom made or commercially available processor, a central processing unit (CPU) or an auxiliary processor among several processors associated with the computer 14, and a semiconductor based microprocessor (in the form of a microchip) or a microprocessor. Examples of suitable commercially available microprocessors are as follows: an 80x86 or Pentium series microprocessor from Intel Corporation, U.S.A., a PowerPC microprocessor from IBM, U.S.A., a Sparc microprocessor from Sun Microsystems, Inc., a PA-RISC series microprocessor from Hewlett-Packard Company, U.S.A., or a 68xxx series microprocessor from Motorola Corporation, U.S.A.

Contrary to the Examiner's allegation that such "… does not recite a limitation in the technological arts" it is believed that not only are such microprocessor a part of the "technological arts," they are indeed at the forefront of the technological arts. Because Applicants have chosen to avail themselves of a statutorily sanctioned claim format, Applicants, in fact are not claiming mental processes, or writing something on a piece of paper but rather have disclosed specific elements clearly within the technological arts and have made claims to subject matter corresponding to that disclosure in a form that is clearly approved and very commonly used to provide appropriate protection for the invention disclosed. In light of the above remarks, Applicants specifically request reconsideration of this ground of rejection.

Rejection of Claims 1, 6, 9, 11, 14, and 19 under 35 U.S.C. 102(e)

The Examiner has identified and applied USP 5,924,486 (Ehlers et al.) to the above noted claims under 35 U.S.C. 102(e) as anticipatory of Applicants' claimed invention. Applicants respectfully object to the Examiner's characterization of anticipation with respect to this reference.

With respect, in particular, to each of the four independent claims in the present application, i.e., claims 1, 6, 11, and 16, it will be observed that every one of these claims recites a system, a method, or a computer readable medium "for providing for future rate changes in a billing system." That is, the presently claimed subject matter is directed to various aspects involving a billing system. More specifically, Applicants are concerned with the concept of providing a simple way of modifying the rate plans that are stored within a billing system. Applicants concerns encompass such concepts as recognizing that a rate plan will be changed at some future date, providing mechanisms whereby the new rate plans can be effected on a specific date, either immediately or at some specified time in the future and actually implementing the changes in the rate plans. More specifically, each of independent claims 1, 6, and 11 recite a "means for," "step of," or "logic for":

> identifying that a future rate plan is to be implemented
> selecting the future rate plan; and
> implementing the future rate plan.

Independent claim 16 is couched in slightly different terms in that the claim recites a system including specific elements, to wit, "an identifier," " a selector," and "a processor" associated in a similar manner to the concepts of the three above identified "means for," step of," and "logic for" as recited in the first three independent claims.

Ehlers et al. is directed to an environmental condition control and energy management system and method as is seen from the title of their disclosure. The

principal object of their disclosure is to manage energy usage in such a manner as to maintain a controlled environmental condition (temperature) at the least possible cost. As outlined in their Abstract, Ehlers et al. provide a system with a plurality of inputs where a user may enter desired input parameters such as desired indoor environmental condition range for at least one energy unit price point. Further, a processor, coupled to the inputs, computes an environmental condition deadband range for multiple energy unit price points based on the user input parameters and controls at least one energy-consuming load device to maintain the indoor environmental condition within the computed deadband range for the then-current energy unit price point. Finally, Ehlers et al.'s Abstract points out that the processor may communicate with at least one energy supply company and select one energy supply company for a premise to minimize energy consumption costs.

In simpler terms, Ehlers et al. have disclosed a system wherein a user is able to enter desired heating and cooling parameters and a target energy cost and the control processor controls a heating/cooling system to attempt to maintain the desired settings and goes so far as to "shop around" among energy suppliers to obtain the best currently advertised price. While there are aspects of communicating with energy supply companies to ascertain their pricing for energy, simply put, Ehlers et al. do not disclose a billing system as is the subject of each and every claim in the present application.

With specific reference to the outstanding rejection, the Examiner alleges that Ehlers et al. disclose "identifying that a future rate plan is to be changed," "selecting the future rate plan desired," "implementing the future rate change," and "selecting the effective date of the future rate plan" and, in each instance, points to column 11, line 22 to column 12, line 4 and/or column 27, line 66 to column 28, line 4 as providing support for these claimed elements.

With specific reference to the material pointed out by the Examiner, Applicants note that the Examiner has highlighted by circling the word "future" multiple times on the

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copy of <u>Ehlers et al</u>. he has kindly provided. <u>In each instance however, the text</u> <u>surrounding the word "future" does not relate to future rate changes but rather to future</u> <u>energy usage</u>. For example, column 11, starting at line 22 states:

> Process function 31 provides a load estimation process, predicting <u>future</u> <u>energy loading</u> for other processes and for energy providers which will need to obtain customer-provided information to manage <u>future load</u> <u>requirements</u>. Function 31 will track usage by reading function 11 meter input data, if available, and track the effect of weather by reading function 13 weather input data, if available. Based on available data, function 31 will provide a load estimate for the subsequent day, week or month. Historic data will be used if available in long term storage. If no data is available, then this function will be dormant. Load estimates will be stored in function 21 and provided to the selected energy provider once chosen and also used in the form of load profile and energy consumption data to make that selection in process 32.

Further in column 11, starting at line 44, <u>Ehlers et al</u>. state:

> Decisions will be made with user-specified criteria and possibly based also on <u>predicted future uses</u>, historical usage patterns, weather patterns or forecasts, etc.

Such references to "future" load requirements and "future" uses have no bearing on the setting of a future price structure by en energy supplier in a billing system as Applicants are claiming.

As to the aspect of "selecting the future rate plan desired," <u>Ehlers et al</u>. do mention selecting energy suppliers with relation to the costing process. For example at column 11, starting at line 66, <u>Ehlers et al</u>. state:

The costing process uses inputs read in function 21, the consumption data from function 11 and the selected energy supplier's <u>rate table data</u> from function 12 to determine cost for storage in function 21 and to provide energy consumption data to the energy supplier, provided no automatic meter reading system or service is available to the supplier.

Again, the text here clearly relates to the concept of selecting an energy supplier to meet the user-established criteria and to aspects of the "shopping around" concept discussed above. The processor in <u>Ehlers et al</u>. does look at rate tables of energy suppliers but these are current rate tables as supplied by the energy suppliers. Again, there is no disclosure of a mechanism, plan, arrangement or any other scheme for "providing for future rate changes in a billing system" as Applicants are claiming.

Finally with respect to the concept of "selecting the effective date of the future rate plan" the Examiner has pointed to column 27, line 66 to column 28, line 4. The text from the cited location recites:

For example, if the user enters the key sequence to begin entering cost information, then the user will be prompted for supplier ID, rates, start time for each rate, length of time the rate is valid, fees, the HVAC consumption in kilowatts and the correct time, day, date and 12 or 24 hour format, for examples.

Again the Examiner has highlighted a feature by circling the word "rates" in this passage. It should be appreciated, however, that the cited passage is describing acts performed by the user of <u>Ehlers et al</u>.'s environmental control system. That is, the user is entering data based on information currently available to him. This information may very well include a date on which a price change will become effective, but this is not a date of this users selection, but rather a date that he is told a price change will become effective. <u>Applicants' claimed invention, on the other hand is not claimed to be configured to inform customers in advance when a price change is to become effective,</u>

rather it is configured so that a price change is efficiently put in place at a future date by means of a processor within the billing system of a commodity or service supplier.

With respect to dependent claims 14 and 19, alleged by the Examiner to also be anticipated by Ehlers et al.: these claims both relate to the concept of selecting the effective date of the future rate plan. As is apparent from the above discussion, the user in Ehlers et al. is an individual who sets up or programs the disclosed system to control the environmental conditions of an area based upon predetermined criteria. This "user" clearly has no prior knowledge of what plans the energy suppliers have with respect to rates they plan to charge in the future. Nor does he or she have any prior knowledge of when these rates are to become effective, as this is a function of management decisions of the energy suppliers. Ehlers et al.'s system is able to communicate with various energy suppliers, determine their existing rates and then select a supplier based on those rates and the other criteria established by the user of the system. Applicants' claimed invention, however, goes to the other side of the coin. That is, Applicants are concerned with the supplier side and the ability to program a billing system for ease of establishing rate changes at a future date.

In light of the above remarks, Applicants specifically request reconsideration and withdrawal of the outstanding rejection of claims 1, 6, 9, 11, 14, 16, and 19 under 35 U.S.C. 102(e).

Rejection of Claims 2-5, 7-8, 10, 12-13, 15, 17-18 and 20 under 35 U.S.C. 103(a)

Preliminarily it is noted that each of the above noted claims are dependent either directly or indirectly on independent claims 1, 6, 11, or 16 and, therefore, are allowable at least for the same reasons as the independent claims. In addition, the present rejection is based solely on the same Ehlers et al. patent as applied against the above referenced independent claims as well as claims 14 and 19.

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With respect to claims 2, 7, 12, and 17, the Examiner has stated that:

As per claims 2, 7, 12, and 17, Ehlers et al. teach said method and
system, comprising selecting a desired date and duration of new plan
(column 11, line 22 - column 12, line 4; column 27, line 66 - column 28,
line 4).

Ehlers et al. do not specifically teach for determining if the future rate
change is a single plan change.

It would have been an obvious matter of design choice to modify Ehlers et
al. to include determining if the future rate change is a single plan change,
because it appears that the claimed features do not distinguish the
invention over similar features in the prior art, and the teachings of Ehlers
et al. would perform the invention as claimed by the applicant without said
teaching.

First, with reference to the Examiner's statements of obviousness; respectfully,
these statements are not understood. Moreover, it is not clear whether the Examiner is
referring to additional prior art when he refers to "similar features in the prior art."

A rejection under 35 U.S.C. 103(a) normally stipulates what a primary reference
teaches followed by the citation of a secondary reference together with a statement of
motivation for combining the secondary reference with the primary reference or a
statement of motivation for modifying the primary reference in light of the teaching of the
secondary reference to produce the claimed subject matter. Even where, as here, the
Examiner alleges "design choice" as the motivation for combining/modifying, a
statement that: "… it appears that the claimed features do not distinguish the invention
over similar features in the prior art, and the teachings of Ehlers et al. would perform the
invention as claimed by the applicant without said teaching …" simply does not provide
such motivation in a form that is anything more than the Examiner's personal,

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unsupported opinion. Thus Applicants are unsure exactly how to respond to such a ground of rejection. However, MPEP 707 and 37 CFR 1.104(d)(2) stipulates that:

> When a rejection in an application is based on facts within the personal knowledge of an employee of the Office, the data shall be as specific as possible, and the reference must be supported, when called for by the applicant, by the affidavit of such employee, and such affidavit shall be subject to contradiction or explanation by the affidavits of the applicant and other persons.

Applicants respectfully call for such an affidavit or, as an alternative, the citation of prior art to support the Examiner's position that "...the claimed features do not distinguish the invention over similar features in the prior art ..." which affidavit or citation should identify this prior art that, apparently, the Examiner has within his personal knowledge.

As has been discussed *supra* with regard to the outstanding rejection under 35 U.S.C. 102(e), Applicants are claiming various aspects of improvements related to a billing system. Simply put, Ehlers et al. do not teach a billing system at all much less the various improvements disclosed and claimed by Applicants. Given this fact, a statement that certain claimed limitations amount to only "matters of design choice" is not a well taken position, especially in light of the fact that the one and only primary reference does not teach the basic concepts which the Examiner proposes to modify/change based on "design choice."

Without specifically discussing the remainder of the Examiner's statements regarding the other claims (3, 5, 8, 10, 15, 13, 18, 20) that have been grouped together in this rejection, Applicants simply note that the Examiner has present the same type of statement and in each case has indicated that the differences between Ehlers et al. and the claimed subject matter amount to "matters of design choice" in which the Examiner proffers substantially the same insufficient "motivation," i.e., "...because it appears that the claimed features do not distinguish the invention over similar features in the prior

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art, and the teachings of <u>Ehlers et al</u>. would perform the invention as claimed by the applicant without said teaching." Applicants strongly object to all these characterizations as lacking in proper motivation to support a rejection under 35 U.S.C. 103(a).

The Examiner may find the following portion of the MPEP informative in this instance:

2144.04 Legal Precedent as Source of Supporting Rationale

In re Japikse, 181 F.2d 1019, 86 USPQ 70 (CCPA 1950) (Claims to a hydraulic power press which read on the prior art except with regard to the position of the starting switch were held unpatentable because shifting the position of the starting switch would not have modified the operation of the device.); *In re Kuhle*, 526 F.2d 553, 188 USPQ 7 (CCPA 1975) (the particular placement of a contact in a conductivity measuring device was held to be an obvious matter of design choice). However, "The mere fact that a worker in the art could rearrange the parts of the reference device to meet the terms of the claims on appeal is not by itself sufficient to support a finding of obviousness. The prior art must provide a motivation or reason for the worker in the art, without the benefit of appellant's specification, to make the necessary changes in the reference device." *Ex parte Chicago Rawhide Mfg. Co.*, 223 USPQ 351, 353 (Bd. Pat. App. & Inter. 1984).

Items that may properly be considered "design choice" do not involve substantive changes to a disclosed invention. In the present instance, the primary reference, <u>Ehlers et al</u>., does not disclose, teach or suggest a billing system, but, for argument sake, if it did and there was a disclosure that a billing was sent out on a monthly basis, for example, it might be possible to advance an argument that it would be a "matter of design choice" to send the bills out biweekly or quarterly. It would not be a matter of design choice to change the method of billing to a "single rate plan" absent a motivation based on additional prior art or practices "well known in the art" to make such a change.

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In this instance, there simply is no proper motivation to change or modify <u>Ehlers</u> <u>et al</u>. to include a feature of a system (a billing system) that is not taught in the first place.

In light of the above remarks, Applicants specifically request reconsideration and withdrawal of the outstanding rejection of claims 2-5, 7-8, 10, 12-13, 15, 17-18, and 20 under 35 U.S.C. 103(a).
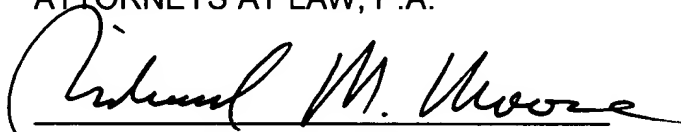
Inasmuch as all the outstanding issues have been addressed it is respectfully submitted that the present application, including claims 1-20, is in complete condition for issuance of a formal Notice of Allowance, and action to such effect is earnestly solicited. The Examiner is invited to telephone the undersigned at Examiner's convenience should only minor issues remain after consideration of this response in order to permit early resolution of the same.

Respectfully submitted,

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